

NEW YORK.

MEMORIAL

OF

WORKING MEN, CITIZENS OF NEW YORK,

*Against paper money, and in favor of restoring the constitutional currency.*

FEBRUARY 10, 1834.

Referred to the Committee of Ways and Means.

*To the honorable the Senate and House of Representatives of the United States of America in Congress assembled :*

We address you, in order to call your attention to some public evils which we are anxious to see removed, and which you have the constitutional power to mitigate or destroy. And we feel sure you will give our wants the more careful consideration, from the circumstance that we are, from our station in life, without power to appeal to any other motive than your sense of duty.

Of all the evils under which our republic now labors, as all who have carefully examined the subject must agree, there is no one so great in itself, or so prolific of others, as the deranged and depreciated state of our currency. It is therefore principally to this that we would draw your attention.

When you consider that the distribution of money regulates the distribution of property ; that money is the virtual title-deed to all the wealth of the community, and the universal token which, by common consent, entitles its possessor to the fruits of other men's labor ; you cannot fail to perceive that the state of the currency demands your constant vigilance, and that any abuse which may be permitted, must exert a constant unintermitting influence upon the morals and happiness of every man, woman, and child, in our republic.

You are not ignorant that our State Legislatures have, by a usurpation of power which is expressly withheld by our federal constitution, chartered many companies to engage in the manufacture of paper money, and that the necessities of the laboring classes have compelled them to give it currency.

The strongest argument against this measure is, that by licensing any man or set of men to manufacture money instead of earning it, we virtually license them to take so much of the property of the community as they may happen to fancy, without contributing to it at all—an injustice so enormous that it is incapable of any defence, and therefore needs no comment.



We will point out one other evil which results from the toleration of a spurious currency—its effect in depreciating the value of the genuine. Each piece of money in a country is in effect a joint share to all the marketable wealth of such country; and consequently the value of money is every where regulated by the proportion which the number of shares bears to the amount of the capital stock. Our banks therefore depreciate the value of money in two ways; they release large numbers from the obligation to contribute the fruits of useful labor to the capital stock, and they multiply the number of shares.

The great evil resulting from a depreciation of the currency in any country is, that men having money to spend send it by the merchants to other countries, where it will procure them more value; and the laboring classes consequently find it difficult or impossible to procure employment. This is an evil which cannot long exist in any country without reducing it to a state far worse than barbarism; and since our protective system has been abandoned as inadequate, we must either adopt some more efficient measure, or encounter certain ruin.

There is one other great cause tending to depreciate the value of money which requires to be treated of with delicacy as well as truth—the profits of capital.

That all the profits of capital are abstracted from the earnings of labor; and that these deductions, like any other tax on industry, tend to diminish the value of money by increasing the price of all the fruits of labor, are facts beyond dispute. It is equally undeniable that there is a point which capitalists cannot exceed without injuring themselves; for when, by their exactions, they so far depreciate the value of money at home that it is sent abroad, many are thrown out of employ, and not only disabled from paying their tribute, but forced to betake to dishonest courses or starve. The remaining laborers are then loaded with additional burdens to provide laws, and prisons, and standing armies, to keep order; expensive wars are created merely to lull for a time the clamors for employment; each new burden aggravates the disease, and national death finally ends it.

These considerations show that it is no less the interest of the rich than the poor that the profits of capital should be reduced at least as low as the standard of those countries with which we trade, in some of which, we are told, capitalists are satisfied with two or three per cent. a year.

The chief obstacle, as we conceive, to the remedy of the evils we have pointed out, consists, not in the desire of any considerable number of our citizens to perpetuate injustice, but in the general conviction that all palliations are worse than useless, and in the fear that any efficient remedy that could be devised would unhinge all the relations of society. While the general sentiment is not averse to change, thousands are deterred from acting by the fear that no change could be brought about in right spirit. We think, however, that a close examination would convince all such that the evils we suffer must, from their nature, go on increasing until they can be borne no longer; and that we have only to decide whether we will continue our downward progress until necessity brings on a sudden change, or whether, by applying ourselves now, we shall make the change gradual, healthful, and easy.

One of the causes of the depreciation of money—the banking system—may be destroyed by directing the national revenues to be paid in the constitutional currency; and we should suppose that a proper regard for the



dignity of the Federal Government would of itself prompt this measure until our constitution should be altered.

Some of the consequences of this step it is highly necessary we should be prepared for. The measure of value would at once be increased probably six fold ; if there is any probability that our present laws would require debtors to pay six times the value they agreed to pay in consequence of a change in the *measure* of value, it would of course be necessary to prevent such injustice by a special enactment.

Another effect would be, that very many who are now being ruined gradually, would become bankrupt at once ; and a temporary derangement would ensue in the business of all. We can see no better way to lighten these evils than by reducing the power of capital.

The power of capital is, in the nature of things, regulated by the proportion that the number of, and competition among, capitalists bears to the number and destitution of the laborers. All direct attempts to regulate the profits of capital by usury laws, are certain to check the life of business, and our experience renders us doubtful whether they are of the slightest benefit to labor. The only sure way, and the way best calculated to benefit all classes, is to diminish the destitution and consequent dependence of the working classes.

There is one mode of effecting this purpose, so accordant with justice and with the spirit of our republican institutions, that we think it can meet with but little opposition from any source. Were Congress to lay it down as a settled principle of national policy, that the whole remainder of our public lands should ever continue the public property of the nation ; and, accordingly, cause them to be laid out from time to time, as the wants of our population might require, in small farms, with a suitable proportion of building lots for mechanics, for the free use of any native citizen and his descendants, who might be at the expense of clearing them, so long as they should keep them in good order ; to be under the supervision of officers to be chosen by the towns, and subject to such regulations as Congress might prescribe, with charge over reserves of timber, &c., and authority to diminish the portion of any one guilty of wasteful and slovenly tillage ; they would then not only establish a perpetual counterpoise to the absorbing power of capital, but also create a bond of union among our people so strong and so lasting that our republic would become as immortal in duration as the earlier republics have been in memory.

But independent of the perpetual national good which would result from such a step, it appears to us that the laboring classes are entitled to ask it on other grounds. These lands have been purchased with the public money, every cent of which is in the end derived from their earnings. And while the public money has been liberally employed to protect and foster trade, Government has never, to our knowledge, adopted but one measure (the protective system) with a direct view to promote the interests of labor ; and all the advantages of this *one* have been absorbed by the preponderating power of capital. Even that part of the constitution which was designed to protect us from the depredations of the manufacturers of spurious money, has, for more than forty years, been regarded by Government as a dead letter.

It should also be remembered that the original design of the partition of property was not to exclude any man from his natural inheritance, but to enable each one to enjoy it in security ; that those who are thus excluded



suffer an acknowledged injustice, which is excused only by the insufficiency of human wisdom to devise a plan that should perfectly reconcile the full enjoyment of our natural rights with the security of those rights derived from labor ; and that those whose natural rights are thus undesignedly sacrificed for the general good, should receive in return the utmost protection that Government has power to bestow, instead of being left a common prey to every one whose wealth may enable him to take advantage of their destitution.

By thus converting our national domains into a perpetual sanctuary for the oppressed, much of the capital now invested in lands and mortgages in the old States, would be withdrawn, and employed in mechanical and manufacturing pursuits, infusing new life into every department of industry. Capitalists would be compelled to exercise their power with moderation, and thus secure the existence of the laws of property, which now are daily growing weaker, and must, without this melioration, ere long be destroyed. The poor would have increased facilities for the acquisition of knowledge ; and enlarged knowledge would not only enable us to employ our liberty wisely, but also to increase it.

We are aware that the overthrow of our banking system is a measure that will meet with more opposition ; for it will be like withholding his cup from the drunkard. It may also be plausibly urged, that as our banks, on an average, probably have not specie to redeem more than one-tenth of their notes, and as trade is constantly diminishing the amount of specie still left us, while paper money is rapidly increasing, the evil must shortly cease without the aid of legislative intervention. But it should be remembered that so long as we suffer the evil to continue, it is every hour increasing. Besides, there is an important difference between meeting an evil, and supinely suffering it to overtake us. Should our Government sit idly by, waiting for the evil to break over our heads, our republic would be convulsed to its centre ; but should we see the guardians of the public interests boldly breasting the storm, the evil might be felt, but not the panic ; we should merely consider it as the inevitable consequence of our error in forgetting all considerations of public interest while engaged in the childish contests of party ; we should see that there were brighter days beyond ; that the change in our currency would enable us to undersell every other nation, and thus bring in specie to fill the place of the shadows that had vanished ; and that the inebriating and feverish life imparted by a forced system of credit would soon be succeeded by the natural glow of national health and vigor.

We will advance no further motives or arguments to induce you to ameliorate the condition of that class to which we belong ; and perhaps we have already said more than was necessary. Allow us, in conclusion, to express our hopes, that you will be able so to act upon the suggestions we have submitted, as to make us not only a powerful but a happy nation, and to strengthen those mutual feelings of regard and confidence which should ever exist between our representatives and all classes of our people.